

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re	)	Chapter 7
	)	
FELIX & MARIA CARDONA,	)	Case No. 05-20106
	)	
Debtors.	)	Hon. Eugene R. Wedoff

**Final Application for Allowance and Payment of  
Compensation of Joseph A. Baldi, as Trustee**

Joseph A. Baldi, not personally but solely as trustee ("Trustee") of the estate ("Estate") of Felix & Maria Cardona ("Debtors"), pursuant to sections 326 and 330 of title 11, United States Code ("Code"), requests this Court to enter an order allowing and authorizing payment to Trustee of \$4,963.84 as final compensation for services rendered as trustee in this case from May 19, 2005 through the close of this case. In support thereof, Trustee states as follows:

**Introduction**

1. Debtors commenced this case on May 19, 2005 ("Petition Date") by filing a voluntary petition for relief under chapter 7 of the Code.
2. Joseph A. Baldi is the duly appointed, qualified and acting chapter 7 trustee in this case.
3. As of the commencement of this case, the Estate's primary asset was a fraudulent transfer claim against the Debtors' son for the pre-petition transfer of the Debtors' interest in certain real property from the Debtors to their son ("Transfer Claim").
4. The bar date for filing claims in this case was January 26, 2006.

**Prior Compensation**

5. This is the first and final application ("Application") for allowance of compensation and expense reimbursement filed by Trustee in this case.

6. Trustee has not previously received or been promised any payments for services rendered or to be rendered in this case except as set forth above.

**Services Rendered by Trustee**

7. Since his appointment in this case, Trustee has performed actual, necessary and valuable services on behalf of the Estate. Itemized billing statements describing the Trustee's services from the date of appointment through the close of the case are attached hereto as Exhibit A. Those services rendered by Trustee since his appointment in this case include but are not limited to the following:

A. Trustee analyzed and investigated the market value of the real property commonly known as 2604 West Fullerton Avenue, Chicago, Illinois ("Property") and the transfer of the Debtors' ownership in the Property; Trustee determined that the transfer from the Debtors to their son was voidable and directed his attorneys to pursue an action to avoid the fraudulent transfer; at the Trustee's request, Trustee's attorneys made demand on the Debtors' son for the recovery of the fraudulent transfer; Trustee, represented by his attorneys, entered into protracted negotiations with the Debtors' son; ultimately, the Trustee entered into a settlement such that the Estate recovered gross proceeds of \$42,000.;

B. Trustee invested and accounted for all funds received by the Estate and set up and maintained all bank accounts for the Estate;

C. Trustee set up and maintained a computerized case management system for the Estate in order to efficiently keep track of records relating to the Estate's case history, assets, claims and banking activities;

D. Trustee prepared semi-annual reports required by the United States Trustee and met with representatives of the U.S. Trustee regarding the administration and status of the case;

E. Trustee examined proofs of claim filed against the Estate;

F. Trustee analyzed tax matters concerning the Estate; and

G. Trustee otherwise administered this Estate and directed the allocation, liquidation and distribution of assets to creditors herein.

#### **Funds Collected and Disbursed by Trustee**

8. Trustee has collected the sum of \$42,134.84 on behalf of the Estate. Trustee has made \$39.76 in disbursements in this case as of the date hereof.

9. Copies of the *Form 1 Individual Estate Property Record and Report* and *Form 2 Cash and Receipts Record* showing the disposition of the assets of this Estate are attached to hereto the Trustee's Final Report, filed simultaneously herewith, as Exhibits B and C, respectively.

#### **Compensation Requested**

10. During the period covered by this Application, Trustee has spent 21.0 hours rendering services on behalf of this Estate with a value of \$3,977.00. Trustee estimates that he will spend an additional four hours rendering services with a value of \$880.00 to obtain approval of the final report, make a final distribution to creditors and prepare and file his final account.

11. The maximum compensation allowable to Trustee pursuant to section 726 of the Code, based upon the receipts and disbursements listed above, is \$4,963.48 as follows:

25% of the first \$5,000	\$1,250.00
10% of the next \$37,134.84	<u>\$3,713.48</u>
Total allowable compensation	\$4,963.48

After payment of the Estate's administrative claims, the Trustee anticipates that there will be sufficient funds to make a 100% distribution to unsecured creditors, plus interest. As part of the settlement agreement for the Transfer Claim, approved by the Court on September 18, 2007, Debtors waived any claim for homestead exemption against the

Property and assigned any surplus funds to their son. Trustee does not anticipate that there will be any surplus funds in this case.

12. Based upon the caliber of the services rendered by Trustee and the results achieved in this case, Trustee requests allowance and payment of final compensation for his services rendered as trustee from the time of his appointment through the closing of this case in the amount of \$4,963.48. This amount represents reasonable compensation for the services rendered by Trustee and is within the maximum compensation allowable as set forth in paragraph 11 above.

13. An affidavit pursuant to Rule 2016 of the Federal Rules of Bankruptcy Procedure, executed by Joseph A. Baldi, as trustee, is attached hereto as Exhibit B.

14. Trustee requests that the compensation requested herein be paid from the Estate funds in his possession.

#### **Status of the Case**

15. The Trustee has liquidated or abandoned all of the assets belonging to this Estate and completed his review and analysis of the claims filed against the Estate.

16. Trustee has completed and filed his Final Report simultaneously herewith. A Final fee application for the Trustee's Attorneys has also been filed concurrently with this Application.

WHEREFORE, Joseph A. Baldi, as trustee of the Estate of Felix and Maria Cardona requests the entry of an order providing the following:

A. Allowing to Trustee final compensation in the amount of \$4,963.48 for actual and necessary professional services rendered and to be rendered on behalf of this Estate from May 19, 2005 through the closing of this case; and

B. For such other and further relief as this Court deems appropriate.

Dated: January 21, 2009

Joseph A. Baldi, as trustee of the estate of Felix  
and Maria Cardona, debtors

By: /s/  
Joseph A. Baldi

Joseph A. Baldi  
Attorney I.D. No. 00100145  
Elizabeth C. Berg  
Attorney I.D. No. 6200886  
19 S. LaSalle St. Suite 1500  
Chicago, IL 60603  
(312) 726-8150

**Trustee's Itemized Billing Statements**

**Exhibit A**

Phone: (312) 726-8150

Fax: (312) 726-5067

FEIN: 36-4352753

**Invoice submitted to:**

February 9, 2009

Invoice No: 1185

Joseph A. Baldi, trustee  
 c/o Joseph A. Baldi & Associates  
 19 South LaSalle Street  
 Suite 1500  
 Chicago, IL 60603

**In Reference to:** *Cardona - Trustee Matters***Professional Services**

<u>Date</u>	<u>Staff</u>	<u>Description</u>	<u>Hours</u>	<u>Charges</u>
9/27/2005	JAB	Cardona - review documents on real estate. confer with ACM on follow up.	0.50 \$350.00/ hr	\$175.00
10/25/2005	JAB	Review appraisal. on line information on real estate transfer. (.7) TC with attorney for debtor regarding transfer, liability to estate, possible resolution of claim. (.5) Review claims, review schedules of creditors in case. (.3)	1.50 \$350.00/ hr	\$525.00
2/06/2006	ECB1	Confer with trustee re case status for prep of annual reports	0.20 \$140.00/ hr	\$28.00
3/02/2006	ECB1	Prepare 2005 annual report for United States Trustee and update trustee database re same	1.00 \$140.00/ hr	\$140.00
3/14/2006	ECB1	Prep check to record Notice of Trustee's Interest in Real Estate	0.10 \$140.00/ hr	\$14.00
4/17/2006	ECB1	Prepare and E-file Form 1 & 2 for 2005 UST annual review	0.20 \$140.00/ hr	\$28.00
6/19/2006	ECB1	Meet with examiners, provide case documentation and explain Trustee procedures in connection with DOJ quadrennial audit	0.40 \$140.00/ hr	\$56.00
9/12/2006	ECB1	Prepare written response to UST audit	0.60 \$140.00/ hr	\$84.00
12/05/2006	ECB1	Meet with Alfreda Baron on supplement audit review	0.20 \$140.00/ hr	\$28.00
12/26/2006	ECB1	Initial review of Form 3 Notes for TR 2006 Annual Report to UST	0.10 \$140.00/ hr	\$14.00

2/06/2007	ECB1	Prep of 2006 Annual Reports	1.20 \$140.00/ hr	\$168.00
4/03/2007	JAB	Confer with DBW on settlement offer, amount needed to pay creditors. Review claims re same.	0.50 \$400.00/ hr	\$200.00
5/14/2007	ECB1	Finalize 2006 year end Form 1 and Form 2 per UST follow up on annual review (.1) File same and email confirmation to UST (.1)	0.20 \$140.00/ hr	\$28.00
9/18/2007	ECB	Process returned notice of settlement to Bank One (.1) Check proof of claim by Chase and confirm alternative service of notice (.1)	0.20 \$250.00/ hr	\$50.00
10/02/2007	ECB1	Perform 3rd quarter status review for UST and update TR database	0.20 \$160.00/ hr	\$32.00
10/15/2007	ECB1	TC Lois West for determination on need to file estate tax returns (.2) Process settlement check and deposit same (.1) Confer with TR re case closing (.1)	0.40 \$160.00/ hr	\$64.00
11/15/2007	ECB1	Process October 2007 bank statements & reconcile accounts	0.20 \$160.00/ hr	\$32.00
1/08/2008	ECB1	Process November 07 Bank Statements (.1) Reconcile Accounts (.1)	0.20 \$160.00/ hr	\$32.00
1/15/2008	ECB1	Process Dec 07 Bank Statements and reconcile accounts	0.10 \$160.00/ hr	\$16.00
1/24/2008	ECB1	Prep 2007 annual for UST	1.00 \$160.00/ hr	\$160.00
2/14/2008	ECB1	Process Jan 08 bank statements (.1) Reconcile TR bank accounts (.1)	0.20 \$160.00/ hr	\$32.00
2/19/2008	ECB1	Prep TR Bond Disbursement report (.1) and prepare and transmit payment of annual bond premium to International sureties (.1)	0.20 \$160.00/ hr	\$32.00
2/26/2008	ECB1	Set up schedule for case closing	0.10 \$160.00/ hr	\$16.00
3/25/2008	ECB1	Process Feb 08 bank statements (.1) Reconcile TR's bank accounts (.1)	0.20 \$160.00/ hr	\$32.00
4/15/2008	ECB1	Process March 08 bank statements (.1) Reconcile TR bank accounts (.1)	0.20 \$160.00/ hr	\$32.00
4/29/2008	ECB1	Prepare for and attend meeting with T. Thornton for UST office meeting for annual review	0.20 \$160.00/ hr	\$32.00



2/09/2009

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5/16/2008	ECB1	Process April 08 bank statements (.1) Reconcile TR bank accounts (.1)	0.20 \$160.00/ hr	\$32.00
7/16/2008	ECB1	Process June 08 bank statements (.1) Reconcile TR accounts to same (.1)	0.20 \$160.00/ hr	\$32.00
8/13/2008	ECB1	Process JY08 Bank Statements and reconcile TR bank accounts	0.20 \$160.00/ hr	\$32.00
9/15/2008	ECB1	Process August 08 bank statements (.1) Reconcile TR Bank Accounts (.1)	0.20 \$160.00/ hr	\$32.00
10/06/2008	ECB1	Meet with TR and discuss status of claims review and case closing	0.20 \$160.00/ hr	\$32.00
10/22/2008	ECB1	Process Sept 08 bank statements and reconcile TR bank accounts	0.10 \$160.00/ hr	\$16.00
12/01/2008	ECB1	Process Oct 08 bank statements (.1) Reconcile TR bank accounts (.1)	0.20 \$160.00/ hr	\$32.00
12/11/2008	ECB1	Process Nov 08 bank statements: reconcile trustee bank accounts	0.10 \$160.00/ hr	\$16.00
1/06/2009	ECB1	Process Dec 08 bank statements: reconcile trustee bank accounts	0.20 \$160.00/ hr	\$32.00
1/12/2009	RKP	Review case documents for information needed to prepare final report (.40); memo to L. West regarding tax returns (.20); discuss same with Trustee (.10).	0.70 \$150.00/ hr	\$105.00
1/19/2009	JAB	Review, edit and execute final report package.	1.00 \$400.00/ hr	\$400.00
1/19/2009	RKP	Draft Trustee's final report (1.50); proposed distribution report (.40); verify proper treatment and calculation of interest (.40); prepare notice of final hearing (.50); compile documents for final report package (.80); review and edit final report package (.40).	4.00 \$150.00/ hr	\$600.00
1/19/2009	RKP	Update and prepare forms 1, 2 and 3 for inclusion in Trustee's Annual Report for submission to the UST (.60); prepare detailed status letter as required and requested by UST (.40).	1.00 \$150.00/ hr	\$150.00
1/20/2009	ECB1	Edit Trustee's final report package per J. Baldi (1.0); prepare final report for submission to UST (1.50)	2.50 \$160.00/ hr	\$400.00
1/29/2009	ECB1	Process Dec 08 Bank statements: Reconcile TR accts	0.10 \$160.00/ hr	\$16.00

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Total Hours	21.00	Total Fees	\$3,977.00
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Total New Charges	<u>\$3,977.00</u>
Previous Balance	\$0.00
Balance Due	<u><u>\$3,977.00</u></u>

***Timekeeper Summary***

<u>Name</u>	<u>Hours</u>	<u>Rate</u>
Elizabeth C Berg	0.20	\$250.00
Elizabeth (1) C Berg	4.20	\$140.00
Elizabeth (1) C Berg	7.40	\$160.00
Joseph A Baldi	2.00	\$350.00
Joseph A Baldi	1.50	\$400.00
Ricki K Podorovsky	5.70	\$150.00

**Rule 2016 Affidavit**

**Exhibit B**

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re	)	Chapter 7
	)	
Felix & Maria Cardona,	)	Case No. 05-20106
	)	
Debtors.	)	Hon. Eugene R. Wedoff

**Trustee's Affidavit Pursuant to Rule 2016**

State of Illinois       )  
County of Cook       )

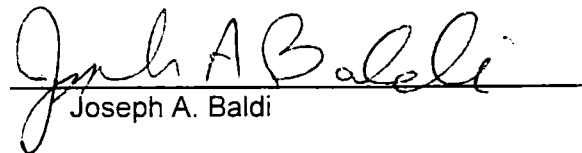
I, Joseph A. Baldi, being first duly sworn upon oath, do depose and state as follows:

1. I am the duly appointed, qualified and acting trustee in this case and I have personal knowledge of the facts set forth herein.

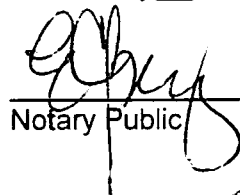
2. I have read the Application for Allowance and Payment of Final Compensation of Joseph A. Baldi as trustee ("Application") and all of the factual matters set forth therein are true to the best of my knowledge, information and belief. I or my agents pursuant to my direction performed the services set forth and described in the Application.

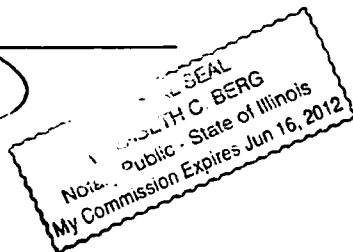
3. I have not entered into any agreement with any other person or persons for the sharing of compensation received or to be received for services rendered in connection with this matter, except among the principals and associates of Joseph A. Baldi & Associates a law firm at which I was employed during the pendency of this case.

4. Further affiant sayeth naught.

  
\_\_\_\_\_  
Joseph A. Baldi

Subscribed and Sworn to before me  
on January 21, 2009

  
\_\_\_\_\_  
Notary Public



**Exhibit B**